



March 17, 2011

Commissioner Philip D. Moeller

STATEMENT

Statement of Commissioner Philip D. Moeller on Japan Earthquake

"We have been witness this past week to unprecedented disaster in Japan, and without doubt, everybody in this nation stands with the Japanese people as they seek to overcome this event. Given FERC's jurisdiction over various aspects of the electric, gas, hydropower, and oil pipeline industries, we have been monitoring events in Japan with respect to how we can help the Japanese people, and concerning the ways that this nation can be better prepared in the event that we suffer a disaster that is similar in magnitude.

Thus, I am confident that we at FERC would offer our technical expertise in any way necessary, and to the best of our ability, if the Japanese people request our help. While we have not received any requests for assistance, I fully expect that this Commission will provide whatever assistance that may be required. Moreover, while I cannot speak for the industries that we regulate, I believe that I know them well enough to understand that they too would offer whatever assistance they can.

And regarding our own preparation for events of similar magnitude, I am interested in making sure that our basic infrastructure is operated and built in such a way that it is most resilient to even the most severe disasters, so that recovery efforts can move forward as quickly as possible. FERC has an especially important role with respect to electric reliability, and events this past week illustrate the ways that electricity is essential to our most vital needs.

Among its many benefits, electricity is critical to the proper supply of heat, light, transportation, drinking water, and telecommunications services. And though nuclear plants provide electricity, they also need a reliable source of electricity when they are not operating. Thus, I fully support our Office of Electric Reliability as it examines the best ways for us to be prepared for the most severe disasters.

Most obviously, we should examine our inventories of electric transformers and other vital assets. We should examine our pre-positioning of assets, and further review our ability to coordinate with the gas, water, nuclear, and telecommunications industries. Our planning for worst-possible events also needs further study. And we should consider whether any of this needs to be mandated, or if such goals can be achieved without government mandate.

Our nation has already made great advances in its preparation for what are sometimes called "high-impact, low-frequency" events. The North American Electric Reliability Corporation (NERC) and various private and governmental organizations already have ongoing work related to these matters. In fact, such ongoing work already occupies a significant amount of our efforts here at the Commission. But the events of last week prove that no matter how well we have designed, built, and operated our basic infrastructure, natural events can radically disrupt our lives, and we need to be prepared."